

FY 99 DCMA Performance Report

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Introduction

This Performance Report is DCMA's final report on its performance in achieving the performance and investment goals in the FY 99 Performance Plan as required by the Government Performance and Results Act of 1993 (GPRA). The GPRA provides for the establishment of strategic planning and performance measurement in the Federal government. The primary intent of the GPRA is to make Federal agencies more responsible and accountable to the public and to the customers they serve in achieving program results. The law requires agencies to establish performance plans and requires them to measure and report actual program performance compared to planned program performance.

DCMA has continued to make significant progress in improving its business performance as well as its performance management process. Improvements have been made to ensure the Plan contains attainable goals that focus on performance improvements that create real value for the Agency's customers and other stakeholders. The number of goals was reduced from 96 in FY 98 to 48 in FY 99. In addition, DCMA's senior leadership provided a clear vision and strategic direction through the establishment of seven long-range objectives to guide the Agency.

DCMA assesses organizational performance on an ongoing basis throughout the fiscal year. The management review process is the Agency's vehicle for assessing organizational performance. Management reviews are conducted at Headquarters DCMA, the Districts, and the Contract Management Offices (CMOs). The Agency reviews and analyzes performance data monthly and reports on the results quarterly. The management review process is structured into three types of reviews that are performed on a quarterly basis: Mission Management Reviews (MMRs), Financial Management Reviews (FMRs), and Special Management Reviews (SMRs). The purpose of the MMRs is to track performance improvement against non-financial targets set annually in the DCMA Performance Plan. FMRs assess financial, unit cost, and resource management performance indicators. SMRs review topics requiring special management attention and the status of the Headquarters implementation plans that support the DCMA Performance Plan.

DCMA remains committed to improving its performance and providing customers with quality contract management services. DCMA's Business Plan sets forth the Agency's priorities and direction, thus reinforcing the Commitment: "One Focus: Customer Focus." Our future plans have and will continue to incorporate lessons learned from our past performance and feedback from our valued customers as we team with them to provide world-class service now and into the 21st century.

Of the 48 goals contained in the FY 99 Performance Plan at year end, 28 goals were achieved, 17 were not achieved, and 5 were not rated for reasons that are explained

in this report. The report summarizes the Agency's achievement of its goals/tasks in the following two sections: (1) Resource Management Goals and (2) Performance and Investment Management Goals.

The Resource Management section reports on the achievement of FY 99 Total Budget execution and Full-Time Equivalent (FTE) execution.

The Performance and Investment goals section synopsis DCMA's success in meeting the targets established for the performance and investment goals in the FY 99 Performance Plan.

For each goal, the report includes the following information: Goal, Was the Goal Achieved, Discussion, and Improvement Plan (if the goal was not achieved).

Some of the highlights of the Performance Report include:

- * DCMA executed 99.7 percent of its authorized budget; the goal was set at 99.5 percent of the total authorized.

- * The Customer Satisfaction ratings were well above the goal of 90 percent, with most of our customers reporting a satisfaction rating of 5 or better on a scale of 1 to 6.

- * The on-time rate for Preaward Surveys was exceeded.

- * The contract closeout for goal for Firm Fixed Price (FFP) contracts was met, but the closeout of other than FFP was not met, missing the target by 2 percent. However, the high level Defense Management Council overall closeout goal for FY 99 of 85 percent was exceeded.

- * DCMA's Composite Basic CAS cost per unit achieved an overall reduction of 7.4 percent, exceeding the goal.

- * Negotiation Cycle Time was reduced to 78 days to complete a negotiation, the goal was 80 days.

- * The PLAS reporting rate of at least 98 percent was achieved.

- * An Agency Unit Cost Board of Directors concept was developed and implemented during FY 99. Board members are Senior Acquisition Executives from the military services and director-level executives on the OSD Staff. The Board reviews DCMA strategic plans, priorities, performance, and resourcing.

- * The Agency ended the fiscal year with an average of 78.9 hours of training per employee, exceeding the target of 40 hours. At the end of FY 99, 64 percent of employees received 40 or more hours of training.